



STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

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TTY 711 or 800-833-6388 (For the Speech or Hearing Impaired)

January 4, 2005

The Honorable Margarita Prentice, Chair
Senate Ways and Means Committee
Washington State Senate
P. O. Box 40411
Olympia, WA 98504

The Honorable Helen E. Sommers, Chair
House Appropriations Committee
Washington State House of Representatives
P. O. Box 40600
Olympia, WA 98504

The Honorable Karen Fraser, Vice-Chair
Senate Ways and Means Committee
Washington State Senate
P. O. Box 40422
Olympia, WA 98504

The Honorable Hans Dunshee, Chair
House Capital Facilities Committee
Washington State Representative
P. O. Box 40600
Olympia, WA 98504

Dear Senator Prentice, Senator Fraser, Representative Sommers and Representative Dunshee:

Re: Water Quality Financial Assistance Programs
Draft Priority Grant and Loan Funding List for Fiscal Year 2006

I am pleased to provide you our "draft priority" list of projects to receive water quality financial assistance (grants and loans) in fiscal year 2006 (FY 06). The list reflects the state's most crucial infrastructure needs for controlling water pollution and protecting water quality in the first half of the 2005-07 biennium.

The draft list of funding priorities was developed using state and federal funding directives and criteria, and grant and loan fund levels anticipated through legislative appropriation based on Governor Locke's 2005-07 capital operating budget. The final priority list will be developed based on final legislative appropriations in the capital budget.

The draft list identifies 66 projects totaling nearly \$91.7 million, using three sources of state and federal grant and loan funds, including:

- Centennial Clean Water Grant Program
- Washington State Water Pollution Control Revolving Fund Loan Program
- Federal Clean Water Act Section 319 Nonpoint-Source Grant Program

The draft list was developed using an integrated grant and loan application and evaluation system. This process streamlines and reduces the administrative burden on the applicant and Ecology, and it maximizes the use of limited state and federal funds.



Draft Priority Grant and Loan Funding List FY 2006

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Ecology received 104 applications totaling more than \$151 million for funding consideration in November 2004 from local governments, tribes, and not-for-profit organizations. The demand for financial assistance to address the state's most crucial water quality problems continues to exceed the funds available through state and federal fund sources. Over the last two biennia, the demand for financial assistance for water quality improvement and protection has exceeded the available funds by approximately 35 percent. Ecology recently documented more than \$4 billion worth of water quality needs in Washington in support of the Environmental Protection Agency's 2004 Clean Watersheds Needs Survey report for Congress.

We appreciate your continued strong support of the grant and loan programs that are available for local governments and tribes to improve and protect water quality. If you have any questions or need additional information about the draft priority list, please call Dave Peeler, Water Quality Program Manager, at 360-407-6405.

Sincerely,

A handwritten signature in cursive script, reading "Linda Hoffman".

Linda Hoffman
Director

LH:SC:kh
Enclosure

cc: Nancy Stevenson, Ecology, Chief Financial Officer
Dave Peeler, Ecology, Water Quality Program Manager